

**Justification of Fixed Costs and Related Changes: HPF** (all dollar amounts in thousands)

	<b>FY 2007 Budget</b>	<b>FY 2007 Revised*</b>	<b>FY 2008 Change</b>
<b>Additional Operational Costs from 2007 and 2008 January Pay Raises</b>			
<b>1 2007 Pay Raise, 3 Quarters in FY 2007 Budget</b>	<b>+\$1</b>	<b>+\$1</b>	<b>0</b>
<i>Amount of pay raise absorbed</i>	<i>[\$1]</i>	<i>[\$1]</i>	<i>[0]</i>
<b>2 2007 Pay Raise, 1 Quarter (Assumed 2.2%)</b>	<b>NA</b>	<b>NA</b>	<b>0</b>
<b>3 2008 Pay Raise (Assumed 3.0%)</b>	<b>NA</b>	<b>NA</b>	<b>0</b>
<p>These adjustments are for an additional amount needed in 2008 to fund estimated pay raises for Federal employees. If Congress confirms the President's 2.7% increase for January 2007, absorption will increase in Line 1 and become an issue in Line 2.</p> <p>- Line 1 is an update of 2007 budget estimates based upon an assumed 2.2%.</p> <p>- Line 2 is the amount needed in 2008 to fund the estimated 2.2% January 2007 pay raise from October through December 2007.</p> <p>- Line 3 is the amount needed in 2008 to fund the estimated 3.0% January 2008 pay raise from January through September 2008.</p>			
<b>Other Fixed Cost Changes</b>			
<b>4 Two Extra Paid Days</b>	<b>NA</b>	<b>NA</b>	<b>0</b>
This adjustment reflects the increased costs resulting from two more pay days in 2008 than in 2007.			
<b>5 Employer Share of Federal Health Benefit Plans</b>	<b>0</b>	<b>0</b>	<b>0</b>
The adjustment is for changes in the Federal government's share of the cost of health insurance coverage for Federal employees. The increase is estimated at 6.0 percent, the updated average increase for the past few years.			
<b>SUBTOTAL, Other Fixed Costs Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>SUBTOTAL, ONPS Fixed Costs Changes (without Transfers)</b>	<b>+\$1</b>	<b>+\$1</b>	<b>0</b>
<b>SUBTOTAL, Absorbed HPF Fixed Costs</b>	<b>[\$1]</b>	<b>[\$1]</b>	<b>[0]</b>
<b>Internal Transfers and Other Non-Policy/Program Changes</b>			
<b>6 Heritage Partnership Programs</b>			<b>-\$7,400</b>
This moves the Heritage Partnership Programs' Commissions and Grants from HPF/American Heritage & Preservation Partnership Program/Heritage Partnership Programs/Commissions and Grants to NR&P/Heritage Partnership Programs/Commissions and Grants.			<b>-\$7,299</b>
This moves the Heritage Partnership Programs' Administrative Support from HPF/American Heritage & Preservation Partnership Program/Heritage Partnership Programs/ Administrative Support to NR&P/Heritage Partnership Programs/ Administrative Support.			<b>-\$101</b>
<b>TOTAL, All HPF Fixed Costs Changes</b>	<b>NA</b>	<b>NA</b>	<b>-\$7,400</b>

\*Since no 2007 appropriation has been enacted, 2007 Revised Estimates assume enactment of the FY 2007 President's Budget. Other revisions have been made for changes in estimates.